

Interoffice Memo



## LONE STAR INDUSTRIES, INC.

One Greenwich Plaza, Greenwich, Connecticut 06830

Originating Office: Seattle Cement Plant.

Date: July 25, 1980

TO:

Capital Budget Committee

FROM:

T. G. Wells

SUBJECT:

Monsanto - Lone Star

VBLS Usage.

Lone Star has entered into an agreement with Monsanto Chemical Company to dispose of a vanillin black liquor solid (VBLS). Due to recent discussions and Lone Star's policy regarding long-term obligations to be met, it is felt this project should be brought to the attention of the Capital Budget Committee.

Monsanto has available a waste product, VBLS, which can safely be added to our raw slurry and disposed of in the kiln burning system. Monsanto is willing to pay Lone Star to dispose of the VBLS. In order to properly handle the VBLS, Monsanto is willing to install the tank and equipment, and Lone Star will reimburse Monsanto at the rate of the current fee paid by Monsanto for Lone Star's handling of the VBLS. Estimated cost of installing the tank and facilities will be \$130,000.

To date, total revenues received from Monsanto have been \$70,000. It is expected that after the installation of the handling facilities, the annual revenues due Lone Star should be between \$100,000 and \$125,000.

Attached is related information and the agreed-to working agreement with  ${\tt Monsanto.}$ 

TGW/me Attachments

